

**CHAPTER NO. 916**

**SENATE BILL NO. 3513**

**By Burchett, Norris, Curtis S. Person, Jr., Bowers, Woodson, Beavers,  
Black, Bryson, Burks, Cohen, Cooper, Crowe, Crutchfield, Finney, Fowler,  
Harper, Haynes, Henry, Herron, Jackson, Ketron, Kilby, Kurita, McLeary,  
McNally, Miller, Ramsey, Southerland, Tracy, Williams,  
Mr. Speaker Wilder**

**Substituted for: House Bill No. 3356**

**By John Deberry, Todd, Odom, Casada, Overbey, Kelsey, Marrero, Lois  
DeBerry, Larry Turner, Rowe, Kernell, Miller, Montgomery, Eldridge, Tindell,  
Rinks, Hargrove, Briley, Harmon, Baird, Hackworth, DuBois, Campfield,  
Hood, Gresham, McMillan, Fitzhugh, Bone, Ferguson, Fraley, Cobb**

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 50; Title 4, Chapter 3, Part 7; Title 49, Chapter 7; Title 49, Chapter 8 and Title 67, and to enact the "Visual Content Act of 2006".

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 50, is amended by adding the following as a new, appropriately numbered part.

SECTION 2. This part shall be known as "Visual Content Act of 2006" and is enacted for the purpose of providing incentive grants that encourage the production of films, movies, television pilots or programs, in the State of Tennessee.

SECTION 3. As used in this part, unless the context otherwise requires:

(1) "Commission" means the Tennessee film, entertainment and music commission;

(2) "Commissioner" means the Commissioner of Economic and Community Development;

(3) "Department" means the Department of Economic and Community Development;

(4) "Executive director" means the director of the Tennessee Film, Entertainment and Music Commission;

(5) "Film/TV Fund" means the Tennessee Film/Television Incentive Fund;

(6) "Minority participant" means an individual who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin;

(7) "Production activities" mean activities related to the production of entertainment properties;

(8) "Production company" means any person or entity that produces a film, movie, pilot or show in Tennessee;

(9) "State-certified production" means a film, movie, pilot or show that meets the criteria established by the commission to receive an incentive grant; and

(10) "Tennessee motion picture and television incentive grant" or "incentive grant" means a grant for a state-certified production that is approved by the department to receive such grant based upon the recommendation of the executive director of the commission.

#### SECTION 4.

(a) The "Tennessee Film/Television Incentive Fund", referred to as the "Film/TV Fund" is established as a separate account in the general fund and shall be administered by the Department of Economic and Community Development.

(b) The Film/TV Fund is composed of:

(1) Funds appropriated by the general assembly for the Film/TV Fund; and

(2) Gifts, grants and other donations received by the department or the commission for the Film/TV Fund.

(c) Moneys in the Film/TV Fund shall be appropriated and expended to provide incentive grants to production companies for use in producing state-certified productions and shall be used by the Department of Economic and Community Development to defray the expenses of administering the provisions of this section; provided, however, such expenses shall not exceed five percent (5%) of the total amount appropriated for the program in any fiscal year.

(d) Moneys in the Film/TV Fund shall be invested by the state treasurer pursuant to Title 9, Chapter 4, Part 6, for the sole benefit of the Film/TV Fund, and interest accruing on investments and deposits of such fund shall be returned to such fund and remain part of the Film/TV fund.

(e) Subject to the availability of revenue at the end of each fiscal year, the Commissioner of Finance and Administration is authorized to carry forward any amounts remaining in the Film/TV Fund or transfer any part of the fund to the revenue fluctuation reserve.

(f) It is the intent of the general assembly that, to the extent practicable, moneys from the Film/TV Fund shall be used to provide incentive grants to production projects in all areas of the state.

(g) It is the intent of the general assembly that the commission shall actively encourage independent producers and minority participants to apply for incentive grants.


(h) Incentive grants from the Film/TV Fund shall not exceed the amount available in the fund at any time. No less frequently than biannually, the executive director of the commission shall report to the Commissioner of Finance and Administration on the status of the incentive grant program, such report to include at least the following information: the amount of each grant awarded since the previous report and the name of the production company receiving the benefit of such grant, the total amount of outstanding grants and the total unobligated amount in the Film/TV Fund. A copy of each such report shall be transmitted to the Speaker of the House of Representatives and the Speaker of the Senate, the chairs of the Finance, Ways and Means Committees, the state treasurer and the state comptroller.

(i) The Department of Economic and Community Development is authorized to promulgate rules and regulations as the department may deem necessary to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in Title 4, Chapter 5.

SECTION 5. This act shall take effect upon becoming law, the public welfare requiring it.

**PASSED: May 27, 2006**

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this 20<sup>th</sup> day of June 2006**

  
PHIL BREDESEN, GOVERNOR